

AUSTRALIA'S HEALTH SYSTEM

Learning Intention:

Understanding elements of Australia's Health System

Success Criteria:

I will know what Medicare is

I will know how Medicare is funded

MEDICARE



WHAT IS MEDICARE?

Is Australian's universal health-insurance scheme.

Established in 1984 it gives all Australian citizens, permanent residents and people from countries with a reciprocal agreement access to health care that is subsidised by the government.

Countries with a reciprocal agreement include:

New Zealand, The UK, Ireland, Sweden, Netherlands, Finland, Italy, Malta and Norway.

SUBSIDIES

Health Services include:

- Doctors consultations and associated treatment
- Tests and examinations
- X-rays and pathology tests
- Eye tests performed by optometrists
- Free treatment as a patient in public hospitals
- Subsidised treatment as a patient in private hospitals

Medicare covers most 'clinically necessary' hospital and doctors fees.

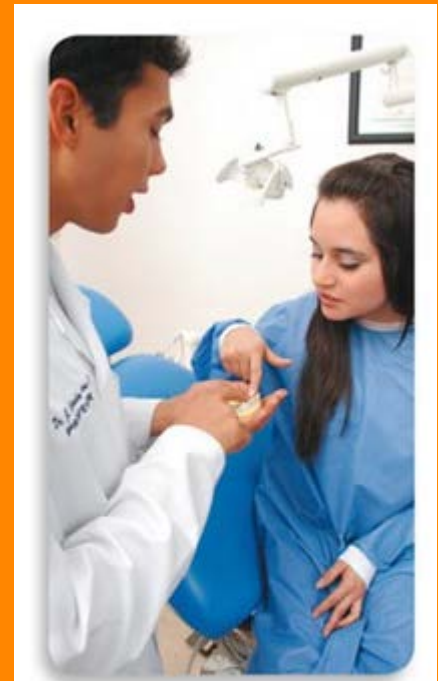


FIGURE 10.3 Doctors' consultations are largely paid for through Medicare.

NOT SUBSIDISED

Other services not covered by Medicare include:

- Dental examinations
- Home nursing treatment
- Ambulance services

Any cosmetic or elective procedures are generally not covered.



Allied Health services:

- **Physiotherapy**
- **Occupational therapy**
- **Speech therapy**
- **Eye therapy**
- **Podiatry**
- **Psychology**

Complementary health services:

- **Chiropractic services**
- **Acupuncture**
- **hypnotherapy**

Allied and alternative health services may be covered by Medicare in some cases, especially if they are referred by a GP

HOW IS MEDICARE FUNDED?

Medicare Levy

An additional tax of 1.5 per cent placed on the taxable income of most taxpayers.

Low income (18 488 or less) are exempt from paying the Medicare levy

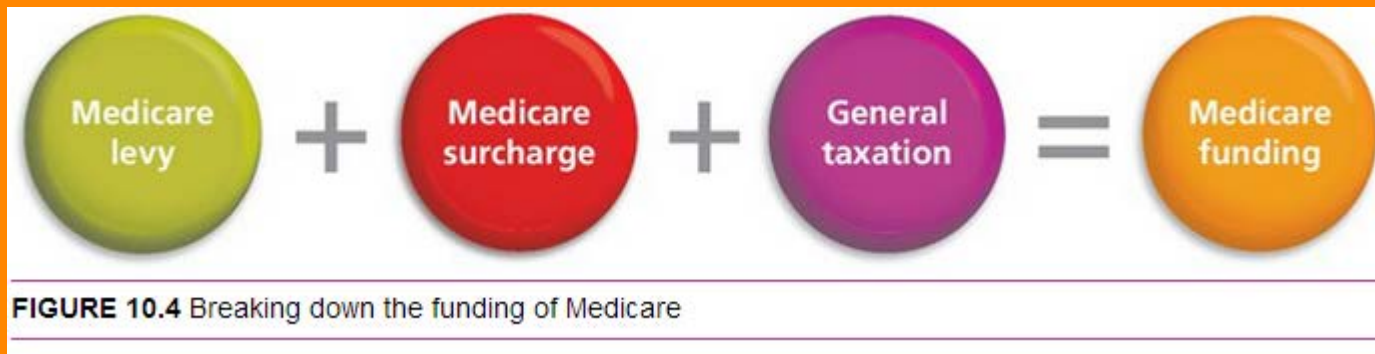
Medicare Levy Surcharge

An additional tax placed on those earning over a certain amount who do not have private health insurance.

For the 2012-13 financial year, the following people are required to pay the MLS:

- If you are single, earn more than \$84,000 and don't have private health insurance hospital cover, you will pay the MLS.
- If you are a family (or couple), have a combined income of more than \$168,000 and don't have hospital cover for you, your partner, or your children – you will pay the MLS. For families with multiple children, the threshold will increase by \$1,500 for each child after the first.

- The Money collected from the Medicare levy and the Medicare surcharge does not meet the operating costs of Medicare, therefore some funds collected through general income tax are contributed towards the operation of Medicare



ENOUGH OF ME: TRUE OR FALSE

In groups read through the following statements and discuss if they are true or false.

You have 5 minutes.